

County of Sullivan, NH

Type of meeting: Board of Commissioners Regular Business Meeting
Date | Time: Monday, August 19, 2013, 3:00 PM
Place: Unity, NH – County Complex, Sullivan County Health Care
Facility, 5 Nursing Home Drive, 03743, Frank Smith Living Room

County attendees: Commissioners Jeffrey Barrette – Chair and Bennie Nelson – Vice Chair, Ted Purdy – Sullivan County Health Care (SCHC) Administrator, Susan Bergeron – SCHC Admissions Coordinator | Notary, Lionel Chute – Natural Resource Director, John Cressy – Facilities & Operations Director, Sharon Callum – Administrative Assistant | Minute Taker. *Absent from meeting: Commissioner Ethel Jarvis – Clerk.*

Public attendees: Archie Mountain – Eagle Times Reporter, Larry Converse – Claremont citizen, and Gayle Hedrington – 99.7 WMTK (arrived later in meeting).

3:01 The Chair, Jeffrey Barrette, brought the meeting to order and led all in the *Pledge of Allegiance*.

Agenda Item No. 5.a. iii. Ratify 2.8 Million Bond Paperwork

Copies of bond papers were distributed and reviewed. The documents included [Appendix A]:

1. Signature and No Litigation Certificate with Receipt,
2. No Arbitrage and Tax Certificate,
3. General Obligation Bond for \$2,800,000 – issued for the purpose of financing the design and construction of a combined heat and power biomass steam plant at the Sullivan County Complex located in Unity NH, and the
4. Resolution of Governing Board.

3:03 **Motion: to approve the Resolution of Governing Board document, read it into the minutes, as follows:**

*“SULLIVAN COUNTY, NEW HAMPSHIRE
RESOLUTION OF GOVERNING BOARD*

The undersigned, at least a majority of the Governing Board of the Issuer and the Treasurer of the Issuer hereby certify (i) that a meeting of the Governing Board of the Issuer was held with respect to the issuance of the Bonds (defined below); (ii) that notice of said meeting was afforded to said officers and the public in accordance with the provisions of RSA 91-A, as amended, and the applicable rules and bylaws of the Issuer, if any; (iii) that at least a majority of the Governing Board were present throughout said meeting; (iv) that the following votes were adopted at said meeting, all as being in the best interests of the Issuer; and (v) that the resolutions set forth below have not been repealed, amended or rescinded as of the date hereof:

VOTED: To authorize the issuance of \$2,800,000 General Obligation Bonds (the "Bonds") of Issuer, which were heretofore authorized by the Issuer's Delegation on February 16, 2012 such Bonds to be dated August 22, 2013.

VOTED: To sell said Bonds to the purchaser (the "Purchaser"), with the principal amounts, maturities, premium, if any, redemption provisions, if any, and interest rates specified on Schedule A, attached hereto and made a part hereof;

VOTED: To issue the Bonds in substantially the form set forth in Schedule B, attached hereto and made a part hereof;

VOTED: To authorize at least a majority of the Governing Board and the Treasurer to sign the Bonds or to have said signatures printed in facsimile on the Bonds and to affix the Issuer's seal thereto;

VOTED: To authorize the Treasurer to deliver the Bonds to the Purchaser against payment therefor;

VOTED: To authorize at least a majority of the Governing Board and the Treasurer to execute and deliver a Signature and No Litigation Certificate with Receipt, a No Arbitrage and Tax Certificate and IRS Form 8038-G in substantially the form presented to this meeting and such other documents as may be necessary or appropriate to accomplish the sale and delivery of the Bonds in accordance with the foregoing; and

VOTED: To authorize Lake Sunapee Bank to serve as Paying Agent with respect to the Bonds.

Dated as of this 22nd day of August, 2013.

and sign the appropriate paperwork. Made by: Nelson. Seconded by: Barrette. Voice vote: All in favor.

Comm. Barrette noted this would pay off the existing line of credit, currently at \$901,690.50, which has been used to make purchases towards the biomass plant; this is a 15 year note; they'll have a cost analysis regarding the biomass plant, as well as cash flow analysis vs. spending today, at their next Board meeting. Comm. Nelson pointed out, it was nice to be able to use local financing vs. a USDA loan. Barrette pointed out, local financing was .78 points less than the USDA's rate. Barrette confirmed there was nothing to do to close out the USDA loan process. Ms. Callum noted County Treasurer asked how the payoff process would occur and who would initiate it. Barrette will follow up on this. He noted the bond paperwork and payoff are effective Aug. 22nd. As part of the documents, a Lake Sunapee Bank Loan Application, for the \$2.8Million was signed.

Agenda Item No. 1 Natural Resource Director Report, *Lionel Chute*

Agenda Item No. 1.a. Unity Mountain Property Purchase Update

Mr. Chute has spoken to Attorney Hathaway, who confirmed the Unity Mtn. property closing is scheduled for Aug. 26th; there is still a \$50,000 mortgage document to be discharged -if in the unlikely event it's not by the closing date, they can extend the P&S Agreement deadline. He'll continue to provide updates as they proceed.

3:11 Motion: to authorize Lionel Chute and Attorney Hathaway to extend the Purchase & Sale Agreement - up to two (2) weeks - for seller to clear up the note. Made by: Nelson. Seconded by: Barrette. Voice vote: All in favor.

Non Agenda Item Marshall Pond Land

Mr. Chute reminded all the former County Manager met with the Boy Scouts of America last year to discuss creating a trail around the pond – it would be extending the walking trail from where it leaves off. He asked the Board if they still supported the project, if so, he'll pursue. Both Commissioners voiced support of the project. Chute noted, the Mr. Kent is marking trees proposed for harvesting - when done he'll place this project out for bid. As there are road issues, they will need to do upgrades in order to harvest the wood – this is all still in preliminary stages and he'll provide updates as they proceed.

Non Agenda Item Field Mowing

Mr. Chute noted the County has 128 acres of fields combined, they need to plan for the best use for each field: wildlife habitat or bring back into agricultural use, if the latter, they'd need to do soil testing – the planning process will take time. He does not anticipate mowing

fields this year. A brief discussion ensued about Fish & Game and NRCS WHIP grants – Chute will be working with Fish & Game on certain projects. He's also looking at a grasslands survey for spring.

3:16 *Ms. Hedrington joined the meeting in progress.*

Conservation District Update

Chute is planning a fall bulb sale, with the order deadline September 11th – he'll issue a press release; bulb pickup will be Oct. 3rd @ Unity Ahern Building and Oct. 4th @ the Newport Records Building. Chute is planning a mass planting of bulbs on campus, also.

Projects – Apple Harvesting, Cider Making & Future Demonstration Plans

Mr. Chute would like to use apples on the Unity County campus to make cider - there are a lot on hill behind the nursing home. He noted, an Alstead professional orchard has a water press the County can rent for \$50 per day and he'd like to use inmate and volunteer help to harvest, press and bottle; cost for containers would be \$200-\$300 - currently in his budget; he predicts they can make about 100 gallons; he'd like to give the cider to staff and the dietary department. It was noted unpasteurized cider is okay for staff, but may not be safe for elderly residents with a low immune system. Purdy recommended Chute discuss the issue with Shannon Brickey and the Dietician. Nelson noted they could donate, also, to soup kitchens. Chute discussed 'keying out' the rare apple trees; the pruning needed on the mature fruit tree lot – they have a lot with three year old pears and apples – some rare varieties. He'd like to host pruning, fertilizing and tasting demonstrations. It was recommended he coordinate that aspect with Seth Wilner UNH Coop. The Board, informally, approved the cider making idea, as long as within budget and careful of the target. Nelson has labels he indicated he'd give Chute that can be placed on the cider containers that indicate 'Unpasteurized Cider'.

Agenda Item No. 2. Sullivan County Health Care Administrator's Report, Ted Purdy

Agenda Item No. 2.a. Census Review

Mr. Purdy reviewed the following reports [Appendix B.1-5]:

- ✓ Medicare, Private, Medicaid, HCBC, Medicare B: draft report – they have not closed - reflects the first month within new fiscal year, \$-56,330 total monthly variance. Mr. Purdy concurred with Comm. Nelson that Medicare was low – the lowest since two summers ago.
- ✓ Revenue Review thru 7/31/2013: there are two issues impacting data on this report: 1) effective April 2013 there was a reduction in Medicare Part B reimbursement rate and, also effective April, was a 2% reduction in Medicare reimbursement due to the Federal Sequestration. Forecast for Medicare prospects: saw four (4) admissions in first 4 days in August for Medicare, month-to-date six (6) Medicare.
- ✓ Quarterly Resident Census: reflects 1st month out of the quarter.
- ✓ Summary Admission / Discharge Report 7/1/2013 thru 07/31/2013: 8 admissions, 10 discharge.
- ✓ Interim Aged Analysis: the month is not closed due to getting software in place; AR is \$124,000 greater than June: reflected primarily by write offs, not in here, which will be in there for the final close, and Medicare A & B – due to changes in software and adjustments we're not able to bill in time to receive payment in June and July,

this is another \$170,000; invoices need to go out by the 15th of each month to receive the payment prior to the end of the month - Medicare B invoice was sent prior to the 15th, they should be getting out the Medicare A soon.

Agenda Item No. 2.b. Staffing Update

No key staff vacancies.

Agenda Item No. 2.c. License Renewal Signature

A copy of the *Application for Residential or Health Care License* renewal was reviewed [Appendix C.1-4].

3:34 Motion: to approve Ted Purdy and the Chair signing the annual renewal license document for the nursing home. Made by: Nelson. Seconded by: Barrette. Voice vote: All approved.

Agenda Item No. 2.d. Electronic Medication Administration Agreement Approval

Mr. Purdy, noted this is Phase II, which is budgeted for approximately \$44,000. He reviewed the American HealthTech software contract for \$9,010.00, which has a \$113 monthly maintenance fee, and the Computer Hardware contract for \$15,765.00 [Appendix D.1-12]. Purdy confirmed LNA's are using the system now. The next phase will be computers on the med-carts for RN's for electronic documentation. Per recommendation from vendor, once the hardware and software are lined up, the next phase will be to set up a live system for medication orders to go directly to the pharmacy – an approximate \$4,000 budget.

3:38 Motion: to sign and execute the contracts for both software and hardware for electronic medication administration. Made by: Nelson. Seconded by: Barrette. Discussion: this was part of the capital budget. Voice vote: All in favor.

Agenda Item No. 3. Department of Corrections Superintendent Report, *Ross L. Cunningham*

The Board toured the DOC prior to the meeting. The Chair noted a copy of the *August 19th, 2013 Daily Report from Sgt. Coughlan* – census report - would be entered into the minutes [Appendix E].

Agenda Item No. 4. Facilities & Operations Director's Report, *John Cressy*

Non Agenda Item New Staff

Mr. Cressy noted they recently hired a person to replace Stan [LaCroix], Senior Maintenance Worker, who moved to South Carolina.

Agenda Item No. 4.a. Biomass Facility Update

Mr. Cressy noted, all major equipment is in place; the building structure went up last week - sheathing and roofing going on this week; they are focusing on tying in the steam lines to the DOC. Deadline for biomass wood chip bids are due August 26th – he anticipates receiving sufficient bids to pick a vendor.

Agenda Item No. 4.b. Water Well Update

Comm. Barrette and Mr. Cressy met with Tom Wilson to discuss the new water well engineering – the project will require a treatment house to be built; they found a potential site; as soon as the engineering comes in they'll do a 'larger' review and get to work – the well needs to be in place and on-line before the ground freezes - all work is budgeted. A brief discussion on where the current wells are treated ensued.

Agenda Item No. 5. Commissioners' Report

Agenda Item No. 5.a.i. Old Business: County Manager Recruitment Process

Comm. Barrette noted the County Manager job posting has been advertised in multiple spots, resumes are due September 6th – at that point they'll start reviews.

Agenda Item No. 5.a.ii. Old Business: FY13 County Audit Update

Auditors have completed their preliminary work at the complex and the County should expect to see preliminary numbers in the next 4-5 weeks. The Chair requested Mr. Cressy and Mr. Purdy to submit a list of capital items needed, not budgeted in FY14, as, if they are assigning fund balance, he'd like to present the list, before auditors complete their work.

Agenda Item No. 5.b.i. New Business 2014 CAP Breakdown from Sherrie Curtis – Human Services Coordinator

The Chair requested Ms. Callum to contact Ms. Curtis with a request to call him to clear up questions they had regarding spreadsheet data - matter tabled to the next meeting.

Agenda Item No. 5.b.ii New Business: Reschedule Monday September 2nd Meeting

The Board decided to set September meetings for the following days:

- Monday, September 9th, 3:00 PM in Newport, 14 Main Street.
- Monday, September 23rd, 3:00 PM in Unity, 5 Nursing Home Drive.

Agenda Item No. 5.b.iii. Newport Police Chief Letter Review

A letter from Newport Police Chief Burroughs, praising the performance of Deputy Merrill and Captain Simonds, as well as the Sheriff and his staff, and Sheriff's dedication to all agencies in Sullivan County was reviewed [Appendix F.1-2]

Agenda Item No. 6. Public Attendees

Larry Converse asked if there was a farmer in the area who used pasteurization for cider that could be used with the apples they spoke of earlier. Comm. Nelson noted there was one in Lebanon, but not any closer, that he knew of. He added, pasteurization is needed when selling to grocery stores, but not required if selling at the farm stand direct to consumers – 'non-pasteurized' labels are placed on containers in those situations.

Gale Hedrington questioned how the new water well was connected to the biomass project/ The Board noted it wasn't - the engineer being used on the biomass project is working on the water connection engineering. The 'test well' was certified through NH State. The County is over-pumping due to demand on their current wells and they need to connect to the newly approved well to place the County in compliance. Mr. Cressy confirmed it would be an approximate 2,500 foot connection – the well is in a different aquifer. Barrette noted the County would be placing the trenching out to bid, once the engineering arrives.

Ms. Hedrington asked when the Unity Mtn. property closing would be. Comm. Barrette confirmed August 26th, briefly discussed the mortgage paper not discharged and authorization they gave, earlier I meeting, to Mr. Chute and Attorney Hathaway.

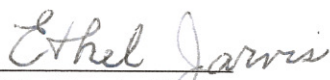
3:59 *Mr. Chute returned to the room.*

Agenda Item No. 7. Meeting Minutes

The Chair tabled review of minutes to their next meeting.

4:00 Motion: to adjourn. Made by: Nelson. Seconded by: Barrette. Voice vote: All in favor.

Respectfully submitted,


Ethel Jarvis, Clerk
Board of Commissioners

EJ/sjc

Date minutes approved: 9-12-13



Monday August 19th, 2013

**2:00 PM Commissioners Compliance Tour
Of the Department of Corrections - Unity**

2:00 PM – 2:55 PM Compliance Tour of Dept. of Corrections – Meet
at the Community Corrections Center Entrance

3:00 PM Regular Business Meeting
Sullivan County NH, Board of Commissioners

AGENDA – 3rd Revision

Meeting Location: Unity County Complex

Sullivan County Health Care Facility – Frank Smith Living Room – 1st Floor
MapQuest/Google Address: 5 Nursing Home Drive, Claremont, NH 03743

- | | | |
|-------------------|----|--|
| 3:00 PM – 3:20 PM | 1. | Natural Resources Director's Report, <i>Lionel Chute</i> a. Unity Mountain Property Purchase Update |
| 3:20 PM – 3:40 PM | 2. | Sullivan County Health Care Administrator's Report, <i>Ted Purdy</i> a. Census Review b. Staffing Update c. License Renewal Signature d. Electronic Medication Administration Agreement Approval |
| 3:40 PM – 4:00 PM | 3. | Department of Corrections Superintendent's Report, <i>Ross L. Cunningham</i> a. Population Census Review b. Staffing Update |
| 4:00 PM – 4:20 PM | 4. | Facilities & Operations Director's Report, <i>John Cressy</i> a. Biomass Facility Update b. Water Well Update |

The times reflected on this agenda, other than the start time, are estimates. Actual time will depend on level of interest and participation.



- 4:20 PM – 4:40 PM 5. Commissioners' Report
- a. Old Business
 - i. County Manager Recruitment Process Update
 - ii. FY13 County Audit Update
 - iii. Ratify 2.8 Million Bond Paperwork
 - b. New Business
 - i. 2014 CAP Breakdown from Sherrie Curtis – Human Services Coordinator
 - ii. Reschedule Mon. Sep. 2nd Meeting
 - iii. Newport Police Chief Letter Review
- 4:40 PM – 4:55 PM 6. Public Participation
- 4:55 PM – 5:00 PM 7. Meeting Minutes Review
- a. Jul. 15th Public Meeting Minutes
 - b. Jul. 24th Special Meeting Minutes
 - c. Jul. 24th 10:02 Executive Session Meeting Minutes
 - d. Aug. 5th Public Meeting Minutes
- 5:00 PM 8. Adjourn meeting

Upcoming Events / Meetings:

Sep 3rd Tue.

Conservation District Committee Meeting

Time: 12 PM

Place: Unity, NH – 5 Nursing Home Drive,
Ahern Building

Sep 6th Fri.

NHAC Executive Council Meeting

Time: 10 AM

Place: Concord, NH – Primex Building

TBA

County Board of Commissioners Meeting

Time: 3 PM

Place: Newport, NH – 14 Main Street, County
Commissioners Conference Room

SULLIVAN COUNTY, NEW HAMPSHIRE
(the "Issuer")

\$2,800,000 General Obligation Bonds (the "Bonds"),
dated August 22, 2013, and Sold to the
Purchaser (the "Purchaser")
specified on Schedule A, attached hereto
and made a part hereof

SIGNATURE AND NO LITIGATION CERTIFICATE WITH RECEIPT

We, at least a majority of the Board of Commissioners and the Treasurer of Issuer, do hereby execute this certificate to certify, represent and covenant as follows with respect to the Bonds:

I. Proceedings Authorizing the Bonds.

We, the said officers, certify:

A. That the Bonds are issued pursuant to RSA Chapter 28 and RSA Chapter 33, including RSA 33:8-a, votes of the Issuer's Delegation passed on February 16, 2012 and votes of the undersigned duly passed to authorize the issuance, execution, and delivery of the Bonds (the "Proceedings"), which Proceedings complied with the provisions of all applicable provisions of New Hampshire law. The Bonds are issued for the purposes of (1) current refunding the outstanding balance of the Issuer's \$3,200,000 bond anticipation note dated June 21, 2012 (the "Note") which was issued for the purpose of financing the design and construction of a combined heat and power biomass steam plant at the Sullivan County Complex located in Unity, New Hampshire (the "Project") and (2) providing new money financing for the Project.

B. That the Proceedings were conducted in accordance with the Right-to-Know Act, RSA 91-A and any standing rules of the undersigned;

C. That none of the Proceedings has been repealed, rescinded or amended;

D. That no debt has been incurred pursuant to the Proceedings other than the Note;

E. That no temporary loan in anticipation of the Bonds is outstanding other than the Note;

F. That there has been no increase in the total indebtedness of the Issuer since December 12, 2012, or decrease in the assessed valuation of the Issuer since August 7, 2013;

G. That the Project has received all necessary approvals and permits in order to be financed with the proceeds of the Bonds and all conditions precedent thereto have been satisfied;

H. That the useful life of the Project is greater than the term of the Bonds; and

I. That certified copies of the Proceedings have been delivered to Devine, Millimet & Branch, Professional Association.

II. Incumbency; Execution and Delivery of Bonds

We, the said officers, further certify:

A. That we are the duly chosen, qualified and acting officers of the undersigned;

B. That there was no vacancy in any of our offices at the time the Proceedings took place;

C. That as such officers we have signed the Bonds and this certificate or have caused our signatures to be printed in facsimile on the Bonds and have affixed the Issuer's Seal thereto and hereto;

D. That we have approved the sale of the Bonds to the Purchaser as referenced in the Proceedings; and that the form, date, maturities, interest rates, redemption provisions and other details of the Bonds, including the manner of its sale and award, have been and are hereby approved; and

E. That the undersigned Treasurer certifies that the Bonds were delivered on the date hereof and that the full purchase price therefor, equal to the amount of the Bonds, together with the premium, if any, specified in Schedule A, was paid by the Purchaser on the date hereof.

III. No Litigation.


We, the said officers, further certify that there has been no litigation or other proceeding affecting the validity of the Bonds or the power of the Issuer to have taxes levied and collected to pay the same; that none is pending or, to the best of our knowledge, threatened; and that neither the corporate existence nor boundaries of the Issuer, nor the title of any of the undersigned to our respective offices is being contested.


IV. Disclosure of Information.

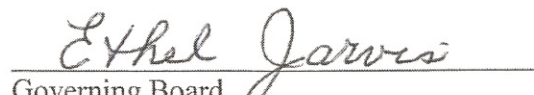
We, the said officers, further certify that, to the best of our knowledge and belief, at the time the Bonds were sold to the Purchaser and the date of the delivery thereof, the description and statements on the preliminary and final Official Statements, if any (collectively, the "Official Statements"), or other information furnished to the Purchaser relating to the Issuer, if any, its finances and the Bonds were and are true in all material respects and did not and do not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading, and that there has been no material adverse change in the financial condition of the Issuer from that set forth or contemplated by the Official Statement.

Dated as of this 22nd day of August, 2013.

SULLIVAN COUNTY,
NEW HAMPSHIRE


Issuer's Treasurer


Benjamin Nelson


Governing Board

(Issuer's Seal)

J:\WDOX\DOCS\CLIENTS\014405\097318\C0164633.DOC

SULLIVAN COUNTY, NEW HAMPSHIRE
(the "Issuer")

\$2,800,000 General Obligation Bonds (the "Bonds")
dated August 22, 2013 and Sold to the
Purchaser (the "Purchaser") specified on Schedule A,
attached hereto and made a part hereof

NO ARBITRAGE AND TAX CERTIFICATE

We, at least a majority of the Commissioners (the "Governing Board") and the Treasurer of the Issuer, do hereby execute this certificate to certify, represent and covenant as follows with respect to the Bonds for purposes of the Internal Revenue Code of 1986, as amended (the "Code"):

A. General

1. Description of Bonds. \$2,800,000 General Obligation Bonds (the "Bonds"), dated August 22, 2013 and maturing, bearing interest, premium, if any, and sold to the Purchaser as set forth in Schedule A, attached hereto and made a part hereof.

2. Purpose. The Notes are being issued pursuant to RSA 33 and pursuant to votes of the Issuer's Delegation taken on February 16, 2012, such be issued for the purposes of (1) current refunding the outstanding balance of the Issuer's \$3,200,000 bond anticipation note dated June 21, 2012 (the "Notes") which were issued for the purpose of financing the design and construction of a combined heat and power biomass steam plant at the Sullivan County Complex located in Unity, New Hampshire (the "Project") and (2) providing new money financing for the Project (the "New Money Bonds").

3. No Overissue. The principal amount being borrowed for the Project is not expected to exceed the amount needed for such purpose after taking into account all other available funds.

4. No Hedge Bonds. The Issuer reasonably expects that more than 85% of the net Sale Proceeds will be expended for governmental purposes of the New Money Bonds within three years after the date of issue of the Bonds. Not more than 50% of the Sale Proceeds allocated to the New Money Bonds will be invested in obligations having a substantially guaranteed yield for four years or more. On the date on which the Notes were issued, the Issuer reasonably expected that 85% of the net proceeds of the Notes would be spent on the Project within the 3-year period beginning on such issue date; and not more than 50% of the proceeds of the Notes were invested in obligations having a substantially guaranteed yield for four years or more.

5. Use of Original Proceeds. No accrued interest will be payable with respect to the Bonds. No Original Proceeds will be used to pay, refund, retire or replace any governmental obligations previously issued except the Notes as described herein. The Original Proceeds of the Bonds will be used to refund the Notes, as follows:

- a. Current Refunding of the Notes. A portion of the proceeds of the Bonds in the amount of \$901,690.50 will be applied to pay the principal of and interest on the Notes on August 22, 2013, which date is less than ninety (90) days after the date of issuance of the Bonds.
- b. Accrued Interest. \$0 of the Original Proceeds of the Bonds will be applied to pay accrued interest on the Bonds.

B. Arbitrage

1. Other Issues. There are no other bond issues of Issuer that are being sold less than 15 days before or after August 22, 2013, the date on which the Bonds were sold to the Purchaser (the "Sale Date") (Reg. 1.150-1(c)(1)).

2. Gross Proceeds. The Gross Proceeds of the Bonds, to which the arbitrage and rebate rules of the Code apply, consist of (i) the Proceeds of the Bonds; and (ii) any Replacement Proceeds. (Reg. 1.148-1(b)), as follows:

- a. Proceeds. The Proceeds of the Bonds consist of the following:
 - i. Sale Proceeds. \$2,800,000, which consists of the amounts received by the Issuer from the sale of the Bonds, including amounts used to pay underwriter's discount or compensation, if any. (Reg. 1.148-1(b))
 - ii. Investment Proceeds. \$0, which consists of the amount that the Issuer expects to receive from investing the proceeds of the Bonds. (Reg. 1.148-1(b))
 - iii. Transferred Proceeds. There are no transferred proceeds of the Bonds. (Reg. 1.148-1(b))
- b. Replacement Proceeds. There will be no replacement proceeds allocated to the Bonds in light of the fact that:
 - i. General. There are no other amounts that would have been or could be used for the governmental purpose of the Bonds. (Reg. 1.148-1(c)(1))
 - ii. Sinking Funds. There are no segregated sinking funds, debt service funds, redemption funds, replacement funds or similar fund that the Issuer reasonably expects to use directly or indirectly to pay principal or interest on the Bonds. Payment of debt service on the Bonds is expected to be derived from current revenues of the Issuer, which current revenues are expected to equal or exceed debt service on the Bonds during the term of the Bonds. (Reg. 1.148-1(c)(2))
 - iii. Pledged Funds. There are no other funds which are to be pledged to pay principal or interest on the Bonds; and there is no agreement by the Issuer to

maintain funds at a certain level for the direct or indirect benefit of the holders of the Bonds. (Reg. 1.148-1(c)(3)(i) & (ii))

- iv. Other Replacement Proceeds. The Issuer does not reasonably expect that the term of the Bonds will be longer than reasonably necessary for the governmental purposes of the issue. (Reg. 1.148-1(c)(4))

3. Universal Cap. Based on the expectations set forth below, the Issuer believes that the universal cap specified in Reg. 1.148-6 will not reduce the amount of Gross Proceeds of the Bonds allocable to the issue during the term of the same. Issuer understands, however, that the universal cap may reduce the amount of Gross Proceeds that will be subject to the arbitrage rules if any of these expectations do not prove to be accurate.

- a. Replacement Proceeds. As noted above, there are no Replacement Proceeds (other than proceeds in a bona fide debt service fund or a reasonably required reserve or replacement fund, if any) allocable to the Bonds. (Reg. 1.148-6(b)(2)(i)(A))
- b. Use of Net Sale Proceeds. The Sale Proceeds of the Bonds (less any proceeds invested in a reasonably required reserve or replacement fund, if any, or as part of a Minor Portion (as described below)) either (i) will be spent so as to qualify for a Temporary Period exception to the arbitrage rules (as described below); or (ii) are being deposited in a refunding escrow fund and will be expended as originally expected. (Reg. 1.148-6(b)(2)(i)(B))
- c. No Transferred Proceeds. There are no transferred proceeds allocable to the Bonds. (Reg. 1.148-6(b)(2)(i)(C))
- d. Retirement of Bonds. The Bonds will not be retired prior to the date used in computing the yield on the Bonds. (Reg. 1.148-6(b)(2)(i)(D))
- e. Student Loans or Mortgage Loans. No proceeds of the Bonds are being invested in qualified student or qualified mortgage loans. (Reg. 1.148-6(b)(2)(i)(E))

4. Yield on Bonds. The yield on the Bonds is 2.500%. (Reg. 1.148-4)

- a. No Guaranty. There is no qualified guaranty applicable to the Bonds. (Reg. 1.148-4(f))
- b. No Hedge. There is no qualified hedge applicable to the Bonds. (Reg. 1.148-4(h))

5. Prohibition Against Investment of Bond Proceeds at a "Materially Higher" Yield than the Yield on the Bonds. Absent compliance with one of the arbitrage exceptions noted below the Gross Proceeds of the Bonds will not be invested at a Yield in excess of the Yield on the Notes plus .125%, (Reg. 1.148-2(d)(2)(i) & (ii)). (The maximum yield at which Gross Proceeds of the Bonds may be invested is sometimes hereafter referred to as the "Maximum Yield"). The referenced arbitrage exceptions are (i) the Temporary Period Exceptions; (ii) the Reserve or Replacement Fund Exception; and (iii) the Minor Portion Exception, all as noted below.

6. Temporary Period Exceptions. Gross Proceeds of the Bonds may be invested at a Yield in excess of the Maximum Yield for the following Temporary Periods:

- a. Net Sale Proceeds and Investment Proceeds Expended on Project. With respect to the New Money Bonds, the Issuer reasonably expects (i) to spend 85% of the "net sale proceeds" or "investment proceeds on the Project within three (3) years of the issue date of the Bonds. (For purposes of the preceding sentence the "net sale proceeds" of the Notes constitute the original proceeds secured upon sale of the Notes minus (I) sale proceeds invested in a reasonably required reserve or replacement fund; and (II) the lesser of (A) \$100,000; or (B) five percent (5%) of the proceeds (here: \$94,915.48) that are invested at a yield in excess of the yield on the Bonds); (ii) to incur within six (6) months of the date of issue a substantial binding commitment to expend at least 5% of the proceeds on the Project; and (iii) to proceed with due diligence to complete the Project. (Reg. 1.148-2(e)(2)(i))
- b. Proceeds of Current Refunding. Proceeds of a current refunding may be invested for up to ninety (90) days after the date of issue of the Bonds. (Reg. 1.148-9(d)(2)(ii)(A)). Transferred Proceeds of the Bonds, if any, used to currently refund the Notes and which are not expended before the date of issue of the Bonds may be invested until the expiration date of the temporary period applicable to the Notes. (Reg. 1.148-9(d)(2)(iii)(A)).
- c. Costs of Issuance. Gross Proceeds of the Bonds used to pay the costs of issuing the Bonds and which are expended within 90 days of the date the Bonds are issued with respect to the current refunding of the Notes. (Reg. 1.148-9(d)(2)(iv))
- d. Other Investment Proceeds. Investment proceeds not spent on the Project may be invested in higher yielding investments for a period of one (1) year from the issuance of the Notes. (Reg. 1.148-2(e)(6))
- e. Replacement Proceeds. To the extent there are any Replacement Proceeds that exist with respect to the Bonds (e.g. sinking funds, pledged funds, etc.) they may be invested without regard to yield for a period of up to 30 days. (Reg. 1.148-2(e)(5)(i))
- f. Bona Fide Debt Service Fund. Funds in a bona fide debt service fund, if any, may be invested without regard to yield for a period of up to 13 months. (Reg. 1.148-2(e)(5)(ii))
- g. Other Gross Proceeds. Other Gross Proceeds of the Bonds which are expended (i) within 90 days of the date the Bonds are issued with respect to the proceeds of the Bonds used to current refund the Notes (Reg. 1.148-2(e)(7) and Reg. 1.148-9(d)(2)(i)) and (ii) within 30 days of the date the New Money Bonds are issued. (Reg. 1.148-2(e)(7) and Reg. 1.148-9(d)(2)(i))

7. Reasonably Required Reserve or Replacement Fund Exception. No reasonably required reserve or replacement fund exists with respect to the Bonds which would be eligible for this exception to

the arbitrage requirements. (Reg. 1.148-2(f))

8. Minor Portion Exception. Gross Proceeds of the Bonds up to an amount equal to the lesser of (i) 5 % of the Proceeds of the Bonds (here: \$140,000); or (ii) \$100,000, may be invested at a Yield in excess of the Maximum Yield. (Code Section 148(e), Reg. 1.148-2(g))

9. No Premium. The Issuer has not received and will not receive any premium for the sale of the Bonds.

10. Expense of Issue. Proceeds of the Bonds to be applied to expenses of issue are expected to be so applied within twelve (12) months of the date of issue.

11. Investment Earnings. Any earnings (including net profit) from investment or deposit of proceeds of the Bonds have been or are expected to be commingled upon receipt with the general funds of the Issuer and expended for current purposes within substantially less than one year after their receipt.

12. No Sale of Project. The Issuer does not expect to sell the Project.

13. Repayment of Bonds. The Bonds are a general obligation of the Issuer for which the full faith and credit of the Issuer are pledged. The Bonds are payable from any and all revenue raised from tax levies made by the Issuer, from any and all revenue received by the Issuer from the State of New Hampshire or the United States government or any agency or subdivision thereof and from any and all unrestricted revenues received from any other source, which in each case may lawfully be used to pay for the expenditures of the Issuer funded by the Bond.

14. Reasonable Expectations. To the best of our knowledge, information and belief, the above expectations are reasonable.

15. Useful Life. The useful life of the Project is in excess of the term of the Bonds.

16. Responsibility for Issue. The undersigned are charged by law and the proceedings authorizing the Bonds with the responsibility for their issue.

C. Reimbursement. No reimbursement of amounts previously expended by the Issuer shall be made from proceeds of the Bonds.

D. No Private Activity Bonds

1. None of the proceeds of the Bonds nor the Project will be utilized, directly or indirectly for private business use (Code §§141(b)(1) & (3)).

2. Payment of principal and interest on the Bonds will not be derived from or secured by property to be utilized for a private business use (Code §§141(b)(2)).

3. None of the proceeds of the Bonds will be used to make or finance loans to persons other than governmental units (Code §141(c)).

4. Absent an opinion of bond counsel, the Issuer will not loan more than 5% of the proceeds of the Bonds to one or more Nongovernmental Persons (defined as any person or entity other than a Governmental Unit, as defined below). Absent an opinion of bond counsel, the Issuer has not allowed and will not allow more than 5% of Sale Proceeds and Investment Proceeds of the Bonds or the Project to be used directly or indirectly by any Nongovernmental Person in any trade or business, other than as a member of the general public. Absent an opinion of bond counsel, for purposes of this Section D.4, a Nongovernmental Person will be treated as "using" proceeds of the Bonds or the projects financed with the proceeds of the Bonds to the extent the Nongovernmental Person:

- (i) Borrows proceeds of the Bonds,
- (ii) Uses any portion of the projects financed with the proceeds of the Bonds as owner, lessee, service provider, operator or manager,
- (iii) Acquires the output of the projects financed with the proceeds of the Bonds, or
- (iv) Enters into any other arrangement that provides a special legal entitlement or special economic benefit to a Nongovernmental Person.

As of the date of issue of the Bonds, the Issuer certifies that either (i) there are no contracts or other arrangements for the operation or management of any component of any one or more of the projects financed with the proceeds of the Bonds by any party other than a Governmental Unit (defined as any State or political subdivision of a State, but excludes the United States and its agencies or instrumentalities) or (ii) such contracts and arrangements have been approved in an opinion of bond counsel. Absent an opinion of bond counsel, the Issuer will not enter into any contract or other arrangement after the date of issuance of the Bonds for the operation or management of any component of the projects financed with the proceeds of the Bonds by any party other than a Governmental Unit.

5. Change in Use. The Issuer reasonably expects to use all proceeds of the Bonds and all facilities that are financed from the proceeds of the Bonds as set forth in Section D.4 of this Certificate for each of the entire stated terms to maturity of the Bonds. Absent an opinion of bond counsel, the Issuer in fact will use all proceeds of the Bonds and each facility financed from proceeds of the Bonds as set forth in Section D.4 of this Certificate.

E. Rebate

1. Overview and Definitions: A note or bond will be an "arbitrage bond", and thus not a tax exempt note or bond, unless it either complies with or is excepted from the rebate rules set forth in Code Section 148(f). In this regard, a rebate must be paid to the government equal to the excess of (a) amounts earned on all "nonpurpose investments"; over (b) the amount that would have been earned if such nonpurpose investments were invested at a yield equal to the yield on the Bonds. (Code Section 148(f)(2); Reg. 1.148-3(a)&(b)). For these purposes, a "Nonpurpose Investment" means any "investment property" which is acquired with the "gross proceeds" of an issue and is not required to carry out the governmental purpose of the issue (Code Section 148(f)(6)). "Investment Property" means any security or obligation, any annuity contract, or any other investment-type property, but does not include any tax-

exempt bond unless such obligation is a specified private activity bond. (Code Section 148(b)(2) and Reg. 1.148-1(e)). The "yield" on the Bonds is defined in Reg. 1.148-4. The yield on the Nonpurpose Investments is defined in Reg. 1.148-5. The amount and due date(s) for the payment of such rebate are set forth in Code Section 148(f)(3).

2. Spending Exception For Refunding Bonds.

- a. Availability of Six Month Spending Exception. The only spending exception to the rebate rules that is available for refunding issues is the six month spending exception. (Reg. 1.148-7(b)(1)(ii)(A)).
- b. Transferred Proceeds. To the extent that proceeds of the Notes have not been fully expended for the governmental purposes of the Notes and would otherwise constitute transferred proceeds of the Bonds, for purposes of the 6-month spending exception to the rebate rules they will continue to be treated as unspent proceeds of the Notes (Reg. 1.148-7(b)(1)(i)). The proceeds of the Notes qualified under an exception to the rebate rules and, as such, are not subject to rebate.
- c. Other Excluded Amounts. No proceeds of the Bonds are included in a bona fide debt service fund, a reasonably required reserve or replacement fund or are otherwise excluded as gross proceeds of the Bonds not subject to rebate under Reg. 1.148-7(c)(3).
- d. Other Proceeds of the Bonds. Proceeds of the Bonds, if any, that are not transferred proceeds, not deposited in the Issuer's general fund, or otherwise excluded from the gross proceeds of the Bonds are expected to be allocated to the governmental purposes of the Bonds within 6 months of the date the same are issued. (Reg. 1.148-7(c)(1)).

3. Small Issuer Rebate Exception (Code Section 148(f)(4)(D); Reg. 1.148-8). With respect to the New Money Bonds, the Issuer will qualify for the Small Issuer Exception to rebate in the event:

- a. That the Bonds are issued by the Issuer and the Issuer has general taxing powers;
- b. That pursuant to the representations in Section D above, the Bonds are not private activity bonds within the meaning of Code Section 141;
- c. That ninety-five percent (95%) or more of the net proceeds of the Bonds are to be used for local governmental activities of the Issuer (or of a governmental unit the jurisdiction of which is entirely under the jurisdiction of the Issuer); and
- d. That the aggregate face amount of tax-exempt obligations (other than private activity bonds) issued by the Issuer and all subordinate entities thereof during 2013 is not reasonably expected to exceed Five Million Dollars (\$5,000,000); provided, however, that bonds issued to currently refund prior bonds are not counted towards this \$5,000,000 limit to the extent that the amount of the refunding bonds does not exceed the amount of the refunded bonds (148(f)(4)(D)(iii)).

4. Undertakings. The Issuer hereby covenants to comply with certain requirements of the Code pertaining to the rebate requirements set forth herein. The Issuer acknowledges that the United States Department of the Treasury has issued regulations with respect to certain of these undertakings, including the proper method for computing whether any rebate amount is due the federal government under Code Section 148(f). The Issuer further acknowledges that the United States Department of the Treasury may yet issue additional regulations to determine what is required with respect to certain of these undertakings. The Issuer covenants that it will undertake to determine what is required with respect to these rebate provisions, from time to time, and will comply with any requirements that may apply to the Bonds.

5. Recordkeeping. In order to facilitate the calculation of any rebate requirement, the Issuer shall maintain or cause to be maintained detailed records with respect to each Nonpurpose Investment allocable to Gross Proceeds, including: (a) purchase date; (b) purchase price; (c) information establishing fair market value on the date such investment became a Nonpurpose Investment; (d) any accrued interest paid; (e) face amount; (f) coupon rate; (g) periodicity of interest payments; (h) disposition price; (i) any accrued interest received; and (j) disposition date.

F. Federal Guarantee Certifications

1. Except as specifically set forth in Paragraph 2 below or otherwise permitted under Section 149(b) of the Code, (a) the payment of the principal or interest on the Notes is not directly or indirectly guaranteed (in whole or in part) by the United States or an agency or instrumentality thereof; and (b) no portion of the proceeds of the Bonds shall be (i) used in making loans the payment of principal or interest with respect to which are to be guaranteed (in whole or in part) by the United States or any agency or instrumentality thereof, or (ii) invested (directly or indirectly) in federally issued deposits or accounts (being any deposit or account in a financial institution to the extent insured under Federal Savings and Loan Insurance Corporation, the National Credit Union Administration, or any similar federally-chartered corporation).

2. As allowed by Section 149(b)(3) of the Code, the certifications set forth in Paragraph 1 above shall not apply to (i) proceeds of the Bonds invested for the temporary period set forth in Section A.3 hereof until such proceeds are needed for the purposes of the issue; (ii) investments in Bonds issued by the United States Treasury; or (iii) other investments permitted under regulations promulgated by the United States Treasury.

G. Designation of Bonds as Qualified Tax-Exempt Obligation (Code Section 265(b)(3))

1. That pursuant to the representations in Section D above, the Bonds are not private activity bonds under the meaning of Code Section 141;

2. That the Issuer hereby designates the Bonds as "Qualified Tax Exempt Obligations" for purposes of Code Section 265(b)(3)(B)(ii);

3. That the Issuer (and any subordinate entities thereof) reasonably anticipates that it will not issue more than Ten Million Dollars (\$10,000,000.00) in tax exempt obligations in 2013; and

4. That the Issuer (and any subordinate entities thereof) hereby covenants that it will not designate more than Ten Million Dollars (\$10,000,000.00) of its obligations as Qualified Tax Exempt Obligations during 2013.

H. Other Covenants of the Issuer

1. Expectations. The undersigned are authorized representatives of the Issuer acting for and on behalf of the Issuer in executing this Certificate. To the best of the knowledge and belief of the undersigned, there are no other facts, estimates or circumstances that would materially change the expectations as set forth herein, and said expectations are reasonable. With respect to certain matters set forth herein, the Issuer has specifically relied upon information provided by other parties as herein defined, although the Issuer is not aware of any facts or circumstances that would cause it to question the accuracy or reasonableness of the same.

2. IRS Form 8038-G or 8038-GC. The Issuer will complete, sign and file "Form 8038-G, Information Return for Tax Exempt Governmental Bond Issues," or "Form 8038-GC, Information Return for Small Tax-Exempt Governmental Bond Issues, Leases, and Installment Sales", as applicable, on or before the fifteenth (15th) day of the second calendar month after the close of the calendar quarter within which the Bonds are issued (Code §149(e));

3. Record Retention. In order to ensure that the interest on the Bonds continues to be excluded from gross income for federal tax law purposes, the Issuer acknowledges that records should be maintained to support the representations, certifications and expectations set forth herein until at least the date 3 years after the later of (a) the date on which the Bonds are retired; or (b) if any portion of the Notes are refunded with the proceeds on any other tax-exempt obligations ("Refunding Obligations"), the date on which the last of the Refunding Obligations is retired. The records to be retained include, without limitation, the following: (a) the transcript of documents relating to the Bonds; (b) documentation evidencing the expenditure, timing and allocation of the proceeds of the Bonds; (c) documentation evidencing the use of the Project, or any component, by public and private sources (i.e. copies of any management contracts, leases, etc., if any); (d) documentation evidencing all sources of payment or security for the Bonds; and (e) records of all amounts, if any, paid to the United States in satisfaction of the rebate requirements for the Bonds and IRS Forms 8038-T (or successor forms) related to such payments.

4. Written Procedures. The Issuer has adopted written procedures to ensure future compliance of the Bonds with the requirements of the Code relating to tax-exempt obligations.

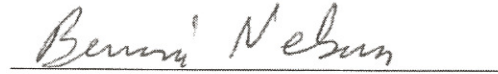
5. Covenant to Comply. The Issuer hereby covenants that it will not take or permit to be taken on its behalf any actions or actions that would adversely affect the exclusion from federal income taxation of interest on the Bonds; and will take or require to be taken such acts as may reasonably within its ability and as may from time to time be required under applicable law to maintain the exclusion from federal income taxation of interest on the Bonds.

Dated as of this 22nd day of August, 2013.

SULLIVAN COUNTY, NEW HAMPSHIRE


Treasurer






Issuer's Governing Board

(Seal)

J:\WDOX\DOCS\CLIENTS\014405\097318\C0164632.DOC

Registered
No. R-1

UNITED STATES OF AMERICA

Registered
\$2,800,000

STATE OF NEW HAMPSHIRE

SULLIVAN COUNTY

General Obligation Bond

| <u>Interest Rate</u> | <u>Maturity Date</u> | <u>Original Issue Date</u> |
|----------------------|----------------------|----------------------------|
| 2.500% | August 22, 2028 | August 22, 2013 |

REGISTERED OWNER: LAKE SUNAPEE BANK FSB

PRINCIPAL AMOUNT: \$2,800,000

Sullivan County, New Hampshire (the "Issuer"), for value received, promises to pay to the Registered Owner of this bond, or registered assignee, the principal specified above in lawful money of the United States of America, payable in fifteen (15) annual installments of principal and interest, each in the amount of Two Hundred Twenty Six Thousand One Hundred Forty Seven Dollars and Fifty Two Cents (\$226,147.52) on August 22 of the years 2014 through 2028, inclusive, with interest computed on the basis of actual days elapsed in a 365-day banking year at the Interest Rate per annum; provided, however, that notwithstanding anything herein to the contrary, the entire principal balance hereof, together with all accrued interest, shall be due and payable in full on the Maturity Date. This Bond will bear interest from the Original Issue Date. Both principal and interest on this Bond are payable at the principal offices of Lake Sunapee Bank FSB, located at 9 Main Street, PO Box 29, Newport, New Hampshire 03773, or such place as may be specified by the Registered Owner to the Issuer in writing. Final payment of the interest and principal of this Bond shall be made upon surrender of this Bond for cancellation at the place at which this Bond is then payable.

This Bond is a general obligation of the Issuer, issued by the Issuer pursuant to New Hampshire RSA 33, a vote of the Issuer's Delegation passed on February 16, 2012, and votes of the undersigned duly passed. This Bond is being issued for the purposes of (1) current refunding the outstanding balance

of the Issuer's \$3,200,000 bond anticipation note dated June 21, 2012 (the "Note") which was issued for the purpose of financing the design and construction of a combined heat and power biomass steam plant at the Sullivan County Complex located in Unity, New Hampshire (the "Project") and (2) providing new money financing for the Project.

This Bond may be prepaid, in whole or in part, prior to the Maturity Date without the payment of any penalty or premium. Upon any prepayment in part of this Bond, the prepayment shall be applied first to interest accrued on this Bond and next to the principal component of the scheduled Bond payments in the inverse order of maturity.

The Issuer certifies that each and every act, condition and thing required to be done, to have happened, and to be performed precedent to and in the issuance of this Bond has been done, has happened, and has been performed in full and strict compliance with the laws of the State of New Hampshire; that every requirement of law relating to the issuance of this Bond has been complied with; that this Bond is within every debt or other limit prescribed by law; and that the full faith and credit of the Issuer is hereby irrevocably pledged to the punctual payment of the principal and interest of this Bond according to its terms.

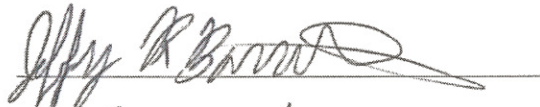
The Issuer hereby certifies that this Bond meets all requirements for designation by the Issuer as, and has been designated by the Issuer as, a BANK QUALIFIED TAX EXEMPT OBLIGATION for purposes of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. This Bond is transferable only upon the registration books kept by the Registered Owner as Paying Agent and registrar.


This Bond shall not be valid unless the Certificate of Authentication has been signed.

IN WITNESS WHEREOF, the Issuer has caused this Bond to be executed on its behalf by at least a majority of its Board of Commissioners and countersigned by its Treasurer and its seal affixed hereto as of this 22nd day of August, 2013.

SULLIVAN COUNTY,
NEW HAMPSHIRE


Treasurer


Bennie Nelson


Issuer's Governing Board

(Issuer's Seal)

Certificate of Authentication

STATE OF NEW HAMPSHIRE
COUNTY OF Sullivan

The undersigned hereby certifies that the foregoing Bond is the instrument described therein, that the signatures and seal of Sullivan County on this Bond are genuine, and that Devine, Millimet & Branch, Professional Association has rendered an opinion approving the legality of this Bond, such opinion dated and given when this Bond was issued.

Susan E Bergeron

Justice of the Peace/Notary Public
My commission expires: 12-5-17
Notary Seal:

J:\WDOX\DOCS\CLIENTS\014405\097318\C0164635.DOC



SULLIVAN COUNTY, NEW HAMPSHIRE
(the "Issuer")

RESOLUTION OF GOVERNING BOARD

The undersigned, at least a majority of the Governing Board of the Issuer and the Treasurer of the Issuer hereby certify (i) that a meeting of the Governing Board of the Issuer was held with respect to the issuance of the Bonds (defined below); (ii) that notice of said meeting was afforded to said officers and the public in accordance with the provisions of RSA 91-A, as amended, and the applicable rules and bylaws of the Issuer, if any; (iii) that at least a majority of the Governing Board were present throughout said meeting; (iv) that the following votes were adopted at said meeting, all as being in the best interests of the Issuer; and (v) that the resolutions set forth below have not been repealed, amended or rescinded as of the date hereof:

VOTED: To authorize the issuance of \$2,800,000 General Obligation Bonds (the "Bonds") of Issuer, which were heretofore authorized by the Issuer's Delegation on February 16, 2012 such Bonds to be dated August 22, 2013.

VOTED: To sell said Bonds to the purchaser (the "Purchaser"), with the principal amounts, maturities, premium, if any, redemption provisions, if any, and interest rates specified on Schedule A, attached hereto and made a part hereof;

VOTED: To issue the Bonds in substantially the form set forth in Schedule B, attached hereto and made a part hereof;

VOTED: To authorize at least a majority of the Governing Board and the Treasurer to sign the Bonds or to have said signatures printed in facsimile on the Bonds and to affix the Issuer's seal thereto;


VOTED: To authorize the Treasurer to deliver the Bonds to the Purchaser against payment therefor;

VOTED: To authorize at least a majority of the Governing Board and the Treasurer to execute and deliver a Signature and No Litigation Certificate with Receipt, a No Arbitrage and Tax Certificate and IRS Form 8038-G in substantially the form presented to this meeting and such other documents as may be necessary or appropriate to accomplish the sale and delivery of the Bonds in accordance with the foregoing; and


VOTED: To authorize Lake Sunapee Bank to serve as Paying Agent with respect to the Bonds.


Dated as of this 22nd day of August, 2013.


SULLIVAN COUNTY,
NEW HAMPSHIRE



Issuer's Treasurer







Governing Board

(Seal)

Revenue Review thru 7/31/2013

DRAFT

| | Annual Budget | 31 Days YTD Budget | YTD | Variance | |
|------------------------------|---------------|-----------------------|---------|----------|-------------------|
| Medicaid | 5,900,605 | 501,147 | 519,225 | 18,077 | |
| Private | 1,741,050 | 147,870 | 143,240 | (4,630) | |
| Insurance/Managed Care | 35,000 | 2,973 | | (2,973) | |
| Respite (HCBC) | 5,000 | 425 | - | (425) | |
| Medicaid Assessment | 1,296,480 | - | | - | Paid quarterly |
| Medicare Part B (Total) | 413,952 | 35,158 | 31,034 | (4,123) | |
| Medicare Part A | 1,560,375 | 132,525 | 52,937 | (79,588) | |
| Proshare | 1,762,875 | | | - | Paid at end of FY |
| Net Variance from Operations | | 820,097 | 746,436 | (73,661) | |
| Misc Income | 20,000 | 1,699 | 1,444 | (254) | |
| Cafeteria | 17,500 | 1,486 | 2,541 | 1,055 | |
| Meals | 340,051 | 28,881 | 28,338 | (543) | |
| YTD Variance | 13,092,888 | 852,163 | 778,759 | (73,404) | |

Appendix B.3
Appendix

Sullivan County Nursing Home
Quarterly Resident Census

Resident Census - FY 14

| Resident Census - FY 14 | | | | | | | | | | | | | | | |
|-------------------------|------------|----------|---------|---------|---------|---------|---------|---------|---------|---------|---------|-------|---------|------------|---------|
| | TOTAL DAYS | MEDICAID | | PRIVATE | | SKILLED | | HCBC | | MANAGED | | LEAVE | | TOTAL DAYS | |
| | AVAILABLE | DAYS | | DAYS | | DAYS | | RESPITE | | CARE | | DAYS | | FILLED | |
| Jul-13 | 4836 | 3427 | 84.10% | 530 | 13.01% | 118 | 2.90% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 4075 | 84.26% |
| Aug-13 | | | #DIV/0! | | #DIV/0! | | #DIV/0! | | #DIV/0! | | #DIV/0! | | #DIV/0! | 0 | #DIV/0! |
| Sep-13 | | | #DIV/0! | | #DIV/0! | | #DIV/0! | | #DIV/0! | | #DIV/0! | | #DIV/0! | 0 | #DIV/0! |
| 1ST QUARTER | 4,836 | 3,427 | 84.10% | 530 | 13.01% | 118 | 2.90% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 4,075 | 84.26% |
| Oct-13 | | | #DIV/0! | | #DIV/0! | | #DIV/0! | | #DIV/0! | | #DIV/0! | | #DIV/0! | 0 | #DIV/0! |
| Nov-13 | | | #DIV/0! | | #DIV/0! | | #DIV/0! | | #DIV/0! | | #DIV/0! | | #DIV/0! | 0 | #DIV/0! |
| Dec-13 | | | #DIV/0! | | #DIV/0! | | #DIV/0! | | #DIV/0! | | #DIV/0! | | #DIV/0! | 0 | #DIV/0! |
| 2ND QUARTER | 0 | 0 | #DIV/0! | 0 | #DIV/0! | 0 | #DIV/0! | 0 | #DIV/0! | 0 | #DIV/0! | 0 | #DIV/0! | 0 | #DIV/0! |
| Jan-14 | | | #DIV/0! | | #DIV/0! | | #DIV/0! | | #DIV/0! | | #DIV/0! | | #DIV/0! | 0 | #DIV/0! |
| Feb-14 | | | #DIV/0! | | #DIV/0! | | #DIV/0! | | #DIV/0! | | #DIV/0! | | #DIV/0! | 0 | #DIV/0! |
| Mar-14 | | | #DIV/0! | | #DIV/0! | | #DIV/0! | | #DIV/0! | | #DIV/0! | | #DIV/0! | 0 | #DIV/0! |
| 3RD QUARTER | 0 | 0 | #DIV/0! | 0 | #DIV/0! | 0 | #DIV/0! | 0 | #DIV/0! | 0 | #DIV/0! | 0 | #DIV/0! | 0 | #DIV/0! |
| Apr-14 | | | #DIV/0! | | #DIV/0! | | #DIV/0! | | #DIV/0! | | #DIV/0! | | #DIV/0! | 0 | #DIV/0! |
| May-14 | | | #DIV/0! | | #DIV/0! | | #DIV/0! | | #DIV/0! | | #DIV/0! | | #DIV/0! | 0 | #DIV/0! |
| Jun-14 | | | #DIV/0! | | #DIV/0! | | #DIV/0! | | #DIV/0! | | #DIV/0! | | #DIV/0! | 0 | #DIV/0! |
| 4TH QUARTER | 0 | 0 | #DIV/0! | 0 | #DIV/0! | 0 | #DIV/0! | 0 | #DIV/0! | 0 | #DIV/0! | 0 | #DIV/0! | 0 | #DIV/0! |
| FY '13 TOTAL | 4,836 | 3,427 | 84.10% | 530 | 13.01% | 118 | 2.90% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 4,075 | 84.26% |
| YTD AVG. | | 110.5 | | 17.1 | | 3.8 | | 0.0 | | 0.0 | | 0.0 | | 131.5 | |

Avg
Census

131.5

0.0

0.0

0.0

Resident Census - FY 13

| Resident Census - FY 13 | | | | | | | | | | | | | | | |
|-------------------------|------------|----------|--------|---------|--------|---------|-------|---------|-------|---------|-------|-------|-------|------------|--------|
| | TOTAL DAYS | MEDICAID | | PRIVATE | | SKILLED | | HCBC | | MANAGED | | LEAVE | | TOTAL DAYS | |
| | AVAILABLE | DAYS | | DAYS | | DAYS | | RESPITE | | CARE | | DAYS | | FILLED | |
| Jul-12 | 4836 | 3331 | 77.68% | 581 | 13.55% | 339 | 7.91% | 5 | 0.12% | 29 | 0.68% | 3 | 0.07% | 4288 | 88.67% |
| Aug-12 | 4836 | 3400 | 79.35% | 607 | 14.17% | 265 | 6.18% | 7 | 0.16% | 6 | 0.14% | 0 | 0.00% | 4285 | 88.61% |
| Sep-12 | 4680 | 3199 | 80.54% | 580 | 14.60% | 188 | 4.73% | 0 | 0.00% | 0 | 0.00% | 5 | 0.13% | 3972 | 84.87% |
| 1ST QUARTER | 14,352 | 9,930 | 79.16% | 1,768 | 14.09% | 792 | 6.31% | 12 | 0.10% | 35 | 0.28% | 8 | 0.06% | 12,545 | 87.41% |
| Oct-12 | 4836 | 3319 | 79.17% | 606 | 14.46% | 252 | 6.01% | 0 | 0.00% | 13 | 0.31% | 2 | 0.05% | 4192 | 86.68% |
| Nov-12 | 4680 | 3333 | 78.65% | 557 | 13.14% | 298 | 7.03% | 5 | 0.12% | 40 | 0.94% | 5 | 0.12% | 4238 | 90.56% |
| Dec-12 | 4836 | 3354 | 78.25% | 607 | 14.16% | 320 | 7.47% | 2 | 0.05% | 1 | 0.02% | 2 | 0.05% | 4286 | 88.63% |
| 2ND QUARTER | 14,352 | 10,006 | 78.69% | 1,770 | 13.92% | 870 | 6.84% | 7 | 0.06% | 54 | 0.42% | 9 | 0.07% | 12,716 | 88.60% |
| Jan-13 | 4836 | 3282 | 78.03% | 622 | 14.79% | 301 | 7.16% | 0 | 0.00% | 0 | 0.00% | 1 | 0.02% | 4206 | 86.97% |
| Feb-13 | 4368 | 3082 | 79.31% | 551 | 14.18% | 253 | 6.51% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 3886 | 88.97% |
| Mar-13 | 4836 | 3462 | 81.96% | 542 | 12.83% | 220 | 5.21% | 0 | 0.00% | 0 | 0.00% | 0 | 0.00% | 4224 | 87.34% |
| 3RD QUARTER | 14,040 | 9,826 | 79.78% | 1,715 | 13.92% | 774 | 6.28% | 0 | 0.00% | 0 | 0.00% | 1 | 0.01% | 12,316 | 87.72% |
| Apr-13 | 4680 | 3406 | 83.42% | 461 | 11.29% | 189 | 4.63% | 0 | 0.00% | 26 | 0.64% | 1 | 0.02% | 4083 | 87.24% |
| May-13 | 4836 | 3424 | 83.27% | 486 | 11.82% | 163 | 3.96% | 6 | 0.15% | 31 | 0.75% | 2 | 0.05% | 4112 | 85.03% |
| Jun-13 | 4680 | 3360 | 84.00% | 491 | 12.28% | 123 | 3.08% | 0 | 0.00% | 25 | 0.63% | 1 | 0.03% | 4000 | 85.47% |
| 4TH QUARTER | 14,196 | 10,190 | 83.56% | 1,438 | 11.79% | 475 | 3.89% | 6 | 0.05% | 82 | 0.67% | 4 | 0.03% | 12,195 | 85.90% |
| FY '12 TOTAL | 56,940 | 39,952 | 80.27% | 6,691 | 13.44% | 2,911 | 5.85% | 25 | 0.05% | 171 | 0.34% | 22 | 0.04% | 49,772 | 87.41% |
| YTD AVG. | | 109.5 | | 18.3 | | 8.0 | | 0.1 | | 0.5 | | 0.1 | | 136.4 | |

Avg
Census

136.4

138.2

136.8

134.0

(2-pvt leave)

(1-pvt leave)

Note: This report includes only the selection criteria listed below.

Effective Date From 7/1/2013 Thru 7/31/2013

Status: All

Sort: AR Type

Agenda B4
Appendix

Summary Admission / Discharge Report

Sullivan County Health Care (SC)

Admissions (Includes Readmits)

Page 1 of 2

08/16/2013 9:37 AM

RI6300B

| <i>A/R Type</i> | <i>From/To</i> | <i>Admissions</i> | <i>Readmits</i> | <i>Discharges</i> |
|-----------------|------------------------|-------------------|-----------------|-------------------|
| MCD | 20 Expired in Facility | 0 | 0 | 3 |
| | AL Assisted Living | 1 | 0 | 0 |
| | HP Hospital | 1 | 0 | 1 |
| | <i>MCD Subtotal</i> | 2 | 0 | 4 |
| MRA | Unknown | 0 | 0 | 0 |
| | 20 Expired in Facility | 0 | 0 | 0 |
| | HM Home | 0 | 0 | 4 |
| | HP Hospital | 3 | 2 | 0 |
| | NH Nursing Home | 0 | 0 | 0 |
| | <i>MRA Subtotal</i> | 3 | 2 | 4 |
| PVT | 5 Acute care hospital | 0 | 0 | 0 |
| | HP Hospital | 1 | 0 | 1 |
| | NH Nursing Home | 0 | 0 | 1 |
| | <i>PVT Subtotal</i> | 1 | 0 | 2 |
| <i>Total</i> | | 6 | 2 | 10 |

Agenda B5
Appendix

Interim Aged Analysis

Page 1 of 27
8/15/2013 1:52PM
AR6200B

Sullivan County Health Care (SC)

For the Month of July, 2013

| Resident (Res #) (Discharge Date) | Jul/ | Jun | May/ | Apr/ | Mar/ | Feb/ | Jan/ | Dec/ | Nov/ | Oct/ | Sep/ | Aug/ | Jul/ | Balance |
|-----------------------------------|------------|------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|--------------|
| Type Balance | | | | | | | | | | | | | | |
| HCB | | | 961.92 | | | | | 320.64 | 801.60 | | | 1,122.24 | 111.52 | 3,317.92 |
| INS | 14,658.25 | 18,291.29 | 2,795.07 | 1,468.79 | 2,409.22 | 1,620.90 | 5,398.34 | 3,874.12 | 19,569.38 | 4,118.05 | 7,911.78 | 4,538.27 | 9,125.77 | 95,779.23 |
| MCD | 409,243.20 | 22,347.59 | 13,099.05 | 10,394.45 | 28,225.46 | 14,423.33 | 7,236.02 | 2,486.29 | 2,545.51- | 2,120.61 | 1,854.25 | 585.61 | 3,758.84 | 513,229.19 |
| MRA | 44,742.91 | 44,067.82 | 11,713.24 | 13,717.29 | 5,435.28 | 12,023.39 | 6,678.34 | 6,469.09 | 722.41- | 6,768.23 | 1,549.68 | 1,373.34- | 4,324.85- | 146,744.67 |
| MRB | 32,672.86 | 37,665.80 | 727.98 | 4,501.36 | 4,960.59 | 4,745.79 | 1,816.05 | 6,510.17 | 1,501.79 | 4,802.04 | 65.43 | | 1,446.27- | 98,523.59 |
| MXA | | 888.00 | 9,225.27 | 15,298.11 | 15,337.71 | 12,903.00 | 4,876.50 | 7,711.45 | 3,572.50 | 4,079.21 | 2,991.00 | | 1,587.34- | 75,295.41 |
| MXB | 4,180.45 | 6,389.63 | 2,787.77 | 1,874.83 | 2,527.96 | 2,876.47 | 1,346.15 | 1,290.41 | 1,608.37 | 1,333.18 | 106.28 | 50.55 | 3,025.90- | 23,346.15 |
| PVT | 63,319.29 | 16,073.58 | 16,106.04 | 24,938.88 | 3,692.60 | 7,444.00 | 11,267.44 | 12,350.09 | 14,209.70 | 17,101.83 | 12,385.20 | 14,806.59 | 137,830.32 | 351,525.56 |
| RES | 9,859.63 | 945.06- | 701.28 | 967.75 | 503.85 | 313.50 | 23.04- | 1,508.21 | 4,248.25 | 4,414.40 | 5,792.74 | 4,940.34 | 32,042.24 | 64,324.09 |
| MRP | | 2,438.56 | 18,898.84 | 15,850.64 | | | | | | | | | | 37,188.04 |
| AIN | 4,000.00 | 3,700.00 | | | | | | | | | | | | 7,700.00 |
| | 582,676.59 | 150,917.21 | 77,016.46 | 89,012.10 | 63,092.67 | 56,350.38 | 38,595.80 | 42,520.47 | 42,243.67 | 44,737.55 | 32,656.36 | 24,670.26 | 172,484.33 | 1,416,973.85 |
| | 41% | 11% | 5% | 6% | 4% | 4% | 3% | 3% | 3% | 2% | 2% | 12% | 100% | |

Appendix C.1
Appendix

STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF OPERATIONS SUPPORT
HEALTH FACILITIES ADMINISTRATION
129 Pleasant Street, Concord, NH 03301
TDD Access: Relay NH 1-800-735-2964
Agency Phone: 603-271-9039

APPLICATION FOR RESIDENTIAL OR HEALTH CARE LICENSE

LICENSE #: 00088

EXPIRATION DATE: 12/31/2013

THIS APPLICATION SHALL BE FILLED OUT IN ACCORDANCE WITH RSA 151:4. A SEPARATE APPLICATION MUST BE SUBMITTED FOR EACH LICENSURE CATEGORY. **PLEASE BE SURE TO COMPLETE THE ENTIRE APPLICATION.** IF A SECTION DOES NOT APPLY TO YOUR FACILITY MARK NOT APPLICABLE (N/A). FAILURE TO COMPLETE THE APPLICATION WILL RESULT IN A DELAY IN THE LICENSURE PROCESS. SEND THE COMPLETED FORM TO THE ADDRESS ABOVE.

Check all applicable items:

| | | | | | |
|----------------------------|-------------------------------------|---------------------|--------------------------|-------------------------|--------------------------|
| License renewal: | <input checked="" type="checkbox"/> | New administrator: | <input type="checkbox"/> | *New facility: | <input type="checkbox"/> |
| **New facility name: | <input type="checkbox"/> | *New owner: | <input type="checkbox"/> | *Change in # of beds: | <input type="checkbox"/> |
| *Change in classification: | <input type="checkbox"/> | *Change in address: | <input type="checkbox"/> | Other (please explain): | <input type="checkbox"/> |

* Requires processing as a new application.

** May require processing as a new application.

LICENSEE: Commissioners of Sullivan County TELEPHONE #: 603 863-2560
NAME OF FACILITY: Sullivan County Health Care TELEPHONE #: 603 542-9511
FAX #: 603 542-9214
STREET ADDRESS: 5 Nursing Home Drive CITY: Unity STATE: NH ZIP: 03743
MAILING ADDRESS: same as above CITY: _____ STATE: _____ ZIP: _____
ADMINISTRATOR: Ted J. Purdy
MEDICAL DIRECTOR (IF APPLICABLE) Lawrence A. Schissel, MD
FACILITY E-MAIL ADDRESS nursinghome@sullivancountynh.gov

IF APPLICABLE:

NUMBER OF BEDS: PRESENTLY LICENSED: 156 TOTAL # TO BE LICENSED: 156
NUMBER OF HCBC OR STATE PLACED INDIVIDUALS IN HOME _____ (804 or 805)
NUMBER OF ESRD STATIONS: _____

BRANCH OFFICE
LOCATIONS _____

OWNERSHIP

a. Type of ownership: Association: ☐ Partnership: ☐
Corporation: ☐ Other (explain) : ☒ County _____
Individual: ☐

b. List name and address of each person having an ownership interest (directly or indirectly) of greater than 5% in the facility.

NEWLY PASSED REGULATIONS APPLICATION

PAGE 2

c. If the licensee is organized as an association or corporation, list the name of the Corporation or association and the name, address and title of each officer.

d. If the licensee is a partnership, list the name(s) and address(es) of all the partners.

Is this a certified facility? (Facilities with deem status under RSA 151) ☒ Yes ☐ No

If you are already a certified facility, is this an increase in services? If yes, please call 1-800-852-3345 ext. 79049

Are you planning on being a certified facility? If yes, please call 1-800-852-3345 ext. 79049

FEES: (EFFECTIVE JULY 1, 2009)

| | |
|---|--|
| Hospitals (General, CAH, Psychiatric, Rehabilitation) | \$25.00 per licensed bed |
| Nursing Homes | \$25.00 per licensed bed |
| Residential and Supported Residential Care Homes | \$15.00 PER LICENSED BED (NO CHARGE FOR HCBC OR NH STATE PLACED RESIDENTS) |
| Acute Psychiatric Residential Treatment Programs | \$25.00 per licensed bed |
| Residential Treatment and Rehabilitation Facilities | \$25.00 per licensed bed |
| Hospice Houses | \$25.00 per Licensed bed |
| Home Health Hospice Providers | \$250.00 |
| Home Health Care Providers (809)/DME(821) | \$250.00 |
| Personal Care Providers (822) | Less than 10 clients \$100.00, Ten or More clients \$250.00 |
| Outpatient Clinics | \$500.00 |
| End Stage Renal Dialysis Center | \$500.00 |
| Ambulatory Surgical Centers | \$500.00 |
| Educational Health Centers | \$500.00 |
| Free Standing Emergency Rooms | \$500.00 |
| Health Promotion Clinics | \$500.00 |
| Adult Day Care Centers | \$200.00 |
| Birthing Centers | \$150.00 |
| Case Management Agencies | \$150.00 |

A check or money order (payable to: **STATE OF NEW HAMPSHIRE, TREASURER**), must be attached to this application.

Applications submitted by those facilities exempt under RSA 151:4 are not required to pay the license fee.

APPLICATION SHALL INCLUDE:

1. Be submitted at least 120 days prior to expiration of the current license. **(Yearly)**
2. Attach qualifications, including education, experience and copies of all applicable licenses for the administrator and medical director **(if applicable)**. **(Yearly)**
3. Include information relative to whether the facility has been granted any exemptions to the rules by the director of the Department of Health and Human Services and/or the State Fire Marshal. **(Yearly)**

NEWLY PASSED REGULATIONS APPLICATION

PAGE 3

4. Floor Plan indicating the location of all rooms, # of beds in each bedroom and fire exits. **(Initial Only-NOT FOR HOME HEALTH OR HOME CARE SERVICE PROVIDERS)**
5. Secretary of State Information. **(Initial Only)**
6. Written local approvals from the health officer, the building official, the zoning officer and the fire chief. For a building under construction, the written approvals required shall be submitted at the time of the application based on the local official's review of the building plans and again upon completion of the construction project. **(Initial Only)**
7. Documentation that the water supply has been tested in accordance with RSA 485 and Env-Ws 313.01 and 314.01. **(Initial Only-NOT FOR HOME HEALTH OR HOME CARE SERVICE PROVIDERS)**
8. Documentation that **every 3 years** the water supply has been tested for bacteria and nitrates and determined to be at acceptable levels, in accordance with Env-Ws 313.01 for bacteria and Env-Ws 314.01 for nitrates. **(NOT FOR HOME HEALTH OR HOME CARE SERVICE PROVIDERS)**
9. A list of all employees who have received criminal background waivers from the Department of Health and Human Services. **(Annual)**
10. A copy of the admission agreement. **(Initial Only for 804 or 805, do not submit, have at consult)**
11. A copy of the ALR-SRHC standard disclosure form. **(Initial Only for 804 or 805, do not submit, have at consult)**
12. For Durable Medical Equipment Companies submit a copy of your current accreditation.

FACILITY SERVICE DESCRIPTION:

The following information will be used to determine which licensure category your facility shall be placed in.

- I. Provide a detailed description of the services and programs you wish to provide.

24 hr/day skilled nursing care, room and board, recreational activities, social services; physical, occupational and speech therapy
- *II. Describe the facility's health care you wish to provide to residents.
- *III. Identify who will provide the health care listed in II.
- * To be completed if applying for beds.

NEWLY PASSED REGULATIONS APPLICATION

SIGNATURES:

This application must be signed by:

1. the owner if a private facility;
2. 2 officers if a corporation;
3. 2 authorized individuals if an association or partnership;
4. the head of the government department if a government unit.

I affirm that I am familiar with the requirements of RSA 151 and the rules adopted thereunder and that the premises are in full compliance. I understand that providing false information shall be grounds for denial, suspension, or revocation of the license and the imposition of a fine.

DATE: _____ SIGNED: _____
(NAME AND TITLE) Ted J. Purdy, Administrator

DATE: _____ SIGNED: _____
(NAME AND TITLE) Jeffrey Barrette, Chair, Commissioners

AHT Orders Administration (eMAR) Summary

| | Agreement | | Deposit | |
|---|--------------|------------------|--------------|-------------|
| Software License Fees | \$ 9,010.00 | | \$ 4,505.00 | 50% |
| Drug Database fee | | \$ 72.00 monthly | \$ 72.00 | first month |
| Software Maint. fee | | \$ 41.00 monthly | \$ 41.00 | first month |
| Total Software | \$ 9,010.00 | \$ 113.00 | \$ 4,618.00 | |
| Computer Hardware | \$ 13,020.00 | | \$ 8,463.00 | 65% |
| Incl 8 laptops, 10 fingerprint scanners, and onsite wireless certification | | | | |
| Onsite installation | \$ 2,745.00 | | \$ 1,784.25 | 65% |
| Total Hardware | \$ 15,765.00 | | \$ 10,247.25 | |
| Totals | \$ 24,775.00 | \$ 113.00 | \$ 14,865.25 | |



August 5, 2013

Ted Purdy, Administrator
Sullivan County Health Care
PO #70420
5 Nursing Home Drive
Unity, NH 03743

RE: Updated Contract Terms

Dear Mr. Purdy;

American HealthTech appreciates the opportunity to serve your long-term care automation needs. Hopefully you are aware of the recent acquisition of American HealthTech. Our new owners, Healthland, out of Minnesota are long-standing software providers for acute care hospitals in rural communities.

As a result of the recent ownership change, we are required to make modifications to the terms of your existing contract. The modifications are reflected in the enclosed contract addendum and address two specific sections related to "Other Costs", and "Term and Termination of This Agreement". These changes provide clarification in each of the stated areas, and are to your benefit.

Please print the contract, sign, date, enclose your check for the required down payment, and return to the address on the invoice. Once received at AHT and signed, a copy will be returned to you. Please contact your Regional Manager, Alex Scaramucci at 1-800-489-2648 ext. 3158 if you have any questions.

All of us at American HealthTech thank you for your continued support.

Sincerely,

Sonya McMullan

Sonya McMullan
Contracts Administrator

P.O. Box 12310 | Jackson, MS 39236 | 601-572-3107



SOFTWARE LICENSE AGREEMENT CONTRACT ADDENDUM

User Name and Address:

Sullivan County Health Care
PO #70420
5 Nursing Home Drive
Unity, New Hampshire 03743

Delivered Product: (Itemized below)

| | |
|-----------------------|-------------|
| Software License Fees | \$ 9,010.00 |
|-----------------------|-------------|

Other Fees:

Total \$ 9,010.00

| | |
|---|----------|
| Monthly First Databank Drug Database fees (as per Exhibit C attached) | \$ 72.00 |
| Annual Total for Software Maintenance * (For Reference Only) | \$492.00 |
| Monthly Software Maintenance due and payable Monthly* | \$ 41.00 |
| Hourly rate for application on-site and telephone support | \$132.00 |
| Hourly rate for technical on-site and telephone support | \$150.00 |

* Maintenance Fee/Initial One-Year Maintenance Services Period: \$ 492.00 payable monthly in advance in the amount of \$ 41.00 beginning the first full month following execution of this contract. Notwithstanding any language to the contrary, for the first two renewal years, the annual increase will not exceed the published annual Consumer price index for Medical Care. AHT will provide User with written notice of any modifications in the Maintenance Fee.

Training and Implementation of the software is billable at current hourly rates as incurred.

Itemization:

Licensed Companies:

SC Sullivan County Health Care PO #70420 5 Nursing Home Drive Unity New Hampshire 03743

Windows Application Software:
Located at Dixon Hughes Goodman LLP

Orders Administration

Payment Terms:

Special Payment terms for Addendum 4230B – AHT agrees to the following payment terms in lieu of those stated in Section 5 of the original Agreement.

In addition to the first month's Software Maintenance and First Databank Drug Database fees shown, a down payment of 50% of the total Software License Fees (Delivered Product Total) is required with the submission of the Agreement. A second payment of 50% of the total Software License Fees (Delivered Product Total) is due no later than thirty (30) days from delivery / implementation of the software.

ALL TERMS AND CONDITIONS OF THE ORIGINAL CONTRACT APPLY TO THIS ADDENDUM EXCEPT AS OUTLINED BELOW:

The section "OTHER COSTS" - all paragraphs relating to maintenance services are replaced in their entirety as follows:

Maintenance services are effective for a twelve (12) month period beginning the first full month following execution of this contract and will automatically renew for additional twelve (12) month periods unless either Party notifies the other Party of its intention not to renew the Maintenance Services at least sixty (60) days prior to the expiration of the then-current Maintenance Services period. Either party may terminate the Maintenance Services by providing the other party with sixty (60) days prior written notice of its intent to terminate the Maintenance Services. Payment of the software maintenance fees entitles the User to any updates to the programs covered under this Agreement. As outlined in Schedule A, maintenance fees will be billed monthly in advance.

Software maintenance and support fees may be subject to state and local taxes. All taxes pertaining to the purchase, sale, or use of any items covered under the Agreement are the responsibility of the User. Taxes, if applicable, will be paid by or collected from the User. If not paid at the time of purchase, then taxes may be collected at a later date.

As listed on Schedule A, the rates and fees shown reflect AHT's current rates. As the cost of providing maintenance services increases, AHT reserves the right to adjust these fees annually. AHT will endeavor to keep any such increases as reasonable as possible and will provide the User with written notice of any increase thirty (30) days in advance.

The section "TERM AND TERMINATION OF THIS AGREEMENT" is replaced in its entirety as follows:

- A. Term. This Agreement shall commence on the Effective Date and remain in full force and effect until terminated as provided herein, or through the mutual written consent of the Parties (the "Term").
- B. Termination. This Agreement (including any Maintenance Services) may be terminated, in whole or in part, as follows:
 - (i) by AHT, immediately and without notice, for any violation by User of the scope of the license rights granted herein, or for any infringement by User of AHT's intellectual property rights;
 - (ii) by either Party upon thirty (30) days prior written notice to the other Party if the other Party is in breach or default of any material provision of this Agreement; provided, however, that the breaching Party may avoid termination if, before the end of such thirty (30) day period, the breaching Party cures such breach; or
 - (iii) by either Party immediately upon notice, if the other Party becomes insolvent, or is subject to a bankruptcy proceeding, whether voluntary or involuntary, which is not dismissed within sixty (60) days, or makes an assignment for the benefit of creditors, or if a receiver, liquidation, administrator or trustee is appointed for such Party's affairs, or any analogous procedure is initiated and not dismissed within sixty (60) days.
- C. Effect of Termination. Upon termination of this Agreement for any reason, (i) the rights (including the licenses granted hereunder) and obligations of the Parties under this Agreement shall terminate except as otherwise expressly provided in this Agreement, (ii) User shall immediately pay AHT the Total Fees under this Agreement, (except in the event of termination by User for an uncured breach or default by AHT, in which event User shall immediately pay AHT all outstanding amounts then due), and (iii) User shall promptly return to AHT, or, at AHT's option, destroy (with a certification of destruction), all copies, in any medium, of the Software System and all Confidential Information (as defined below) of AHT.

Signature Area:

American HealthTech, Inc.

User

By: Teresa J. Chase, President

By: Ted Purdy, Administrator

(AUTHORIZED SIGNATURE)

DATE

DATE

SOFTWARE LICENSE AGREEMENT
SCHEDULE B
Training and Implementation

User Name and Address:

Sullivan County Health Care
PO #70420
5 Nursing Home Drive
Unity, New Hampshire 03743

The methods of providing the services described below are current. AHT reserves the right to modify its method of delivering the services below.

The User will make available the necessary facilities and personnel for adequate training and implementation of the Software. This includes the designation of a specific implementation Project Leader by the User with sufficient authority to coordinate the successful implementation of the Software. The Project Leader will act as communications liaison between AHT and User personnel throughout the implementation process. AHT will designate a specific Implementation Analyst with sufficient authority to coordinate the implementation Project Plan with the User's Project Leader.

A mutually agreeable Project Plan will be developed between the Project Leader and the Implementation Analyst. This Project Plan will include an implementation time line and a list of responsible parties for each step in the Project Plan. While implementation tasks are measured in hours, a standard "work day" for AHT employees is defined as the period from 8am to 5pm within the User's local time zone. If the User desires AHT personnel to work beyond a standard work day, permission must be granted by AHT management in advance. AHT personnel are not responsible for entering the User's data unless an Extended Service Agreement is executed between the parties and specific time is allocated in the Project Plan for the completion of these services. The accuracy of all data, regardless of who enters it, is the sole responsibility of the User. The User agrees to accomplish data entry and any other operations required of the User to complete the implementation objectives mutually agreed upon.

The User agrees that each trainee will possess basic prerequisite skills prior to the agreed upon date established for Software training. Such prerequisites include skills such as reasonable computer literacy, knowledge of the trainee's job function, and any User-specified standard operating procedures or regulatory requirements related to the trainee's job function.

Implementation of the Software will not occur until a successful system check is performed by AHT personnel and any required prerequisite steps have been completed by the User. AHT schedules its Implementation Analysts for on-site visits weeks in advance. If the User fails to meet the necessary requisites prior to a scheduled visit by AHT, it will likely result in an implementation delay of several weeks and could possibly accrue cancellation fees for airline tickets and other reservations that would be the responsibility of the User.

Phase 1 - Preliminary Preparations -- The AHT Implementation Analyst will coordinate plans for the implementation project with the User's Project Leader. These two individuals will review the curriculum elements that will form the basic implementation plan, the input of setup information and staging the training. After this preliminary session, the Implementation Analyst will produce a mutually agreeable formal Project Plan with timelines and assigned responsibilities for each step in the process.

Unless specified otherwise, the implementation fees for the training needed for licensed modules are included on Schedule A (except for travel expenses). Standard implementation includes Phases 1, 2, and 3 as described in this Schedule. Any other preliminary work other than that described in the previous paragraph that might be required from AHT will be billed either through a specific Extended Services Agreement or at the current hourly support rate. Implementation Phase 4 as described below will be tailored specifically for the User, approved by the User in advance and will be billed at the current hourly support rate.

The User will receive documents and materials that will allow preparation of data collection prior to Phase 2. Any planning calls and review of these materials will be coordinated between the AHT Project Manager and the User.

Phase 2 – Module Setups – This phase focuses on personalizing the AHT software settings to the User's business and operating environment. The User's Project Leader and other corporate staff will be trained how to add or modify setup selections. A qualified AHT Analyst will assist by telephone as the User inputs their selections and then will review the finished work via remote connection. This phase is performed remotely in a single session to help defray costs. However, if the User requests this phase to be done on-site or in multiple sessions, the time is billable at the current hourly support rate.

Phase 3 – Training – After the successful completion of Phase 2*, a qualified AHT Project Manager(s), in conjunction with any Corporate Trainers the User may employ, will conduct a final on-site training session including live examples of basic input and processing procedures. The schedule for this meeting is dependent upon the modules being licensed, but the AHT Project Manager will furnish the User's Project Leader in advance with a specific agenda so that various User personnel can be notified and available when needed. Trainees will complete exercises pertinent to this phase of the project and will be evaluated for comprehension. The cost for training (except for travel expenses) is included in the fees charged on Schedule A based upon training all participants at one time in a single setting. If a corporate office environment warrants it, a preliminary training session will be provided for all corporate office staff at a single location at no additional charge other than for travel expenses. If the User requests additional training sessions other than those specified above, those sessions are billable at the current hourly support rate.

*NOTE: If the User has not completed Phase 2 prior to this phase, delays will likely result. If the AHT Analyst arrives for on-site training, and the User has not completed the setups, the additional time required on-site is billable. If the User desires an AHT Analyst to assist with actual input of the User's setup information, an Extended Service Agreement will be required.

Phase 4 – Post-Implementation – After the successful completion of Phase 3, an AHT Analyst will conduct an on-line review (via remote connection) of the User's data and setups prior to the first month's Billing close, or within 30 days after implementation. The Analyst will give appropriate input, review closing processes and address any User questions during this review. Then, after several months of User data has been accumulated, an AHT Project Manager will conduct an on-line Management Report Review that focuses on the Software's reporting and research tools. Trainees will complete exercises pertinent to this phase of the project and will be evaluated for comprehension.

Continuing Educational Opportunities

AHT provides regular ongoing educational opportunities for users through several means. Descriptions, schedules and fees for such opportunities are posted regularly on AHT's website, or Users can contact AHT's Implementation Coordinator directly for more information.

SCHEDULE C**First Databank Sublicense: Additional Terms**

This Schedule C is attached to and made a part of User's Software License Agreement ("License Agreement") with American HealthTech, Inc. ("AHT"). User as a professional healthcare provider organization has elected to subscribe to and sublicense from AHT those modules, documentation and databases of the First Databank, Inc. ("FDB"), drug information knowledge base specified on Schedule A to the License Agreement (the "Subscribed Modules"), subject to the terms, provisions and conditions of the License Agreement, including this Schedule C.

User acknowledges (i) that AHT does not collect the information in the Subscribed Modules, but only licenses such modules from FDB and provides access to such modules to User through the AHT software, and (ii) that AHT's provision of access to the Subscribed Modules to User is subject to FDB's continuing provision of access to AHT, FDB's provision of releases and updates to such modules, and the continuing compatibility of such modules with AHT's and User's computer hardware and software.

User acknowledges that the professional duty to the patient in providing healthcare services lies solely with the healthcare professional providing patient care services. FDB and AHT cannot and do not assume any responsibility for patient care or for User's actions or omissions in providing patient care services. User acknowledges that the information contained in the Subscribed Modules is intended to supplement, but is not a substitute for, the knowledge, expertise, skill and judgment of physicians, pharmacists, and other healthcare professionals in the diagnosis and treatment of patients and other delivery of healthcare services, that the absence of a warning for a given drug or drug combination should not be construed to indicate that the drug or drug combination is safe, appropriate or effective for any given patient, and that the information contained in the Subscribed Modules is advisory only, and is not intended to and can not replace User's sound clinical judgment and discretion in patient care.

USER ACKNOWLEDGES THAT FIRST DATABANK, INC. ("FDB"), AND AMERICAN HEALTHTECH, INC. ("AHT"), MAKE NO EXPRESS OR IMPLIED WARRANTIES OR REPRESENTATIONS WHATSOEVER, INCLUDING BUT NOT LIMITED TO WARRANTIES OR REPRESENTATIONS AS TO THE QUALITY, ACCURACY OR COMPLETENESS OF THE SUBSCRIBED MODULES, INCLUDING BUT NOT LIMITED TO THE CODES, ALERTS, DATA AND OTHER INFORMATION THEREIN, AND THAT FDB AND AHT SPECIFICALLY DISCLAIM ANY AND ALL IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR ANY PARTICULAR PURPOSE.

User (i) assumes all risk for the selection and use of the Subscribed Modules, and (ii) agrees that AHT and FDB will not be liable to User for any indirect, incidental, special or consequential damages arising out of or related to User's subscription to the Subscribed Modules, and that any liability of AHT and FDB for other damages arising out of or related to such subscription, whether in contract, negligence, strict liability in tort, product liability, warranty or other legal theory, will not exceed the amounts paid by the User for such subscription. User further agrees to indemnify (and agrees to make FDB an intended third party beneficiary of such indemnity provision) and hold AHT and FDB harmless from any and all claims, demands, actions, lawsuits, proceedings, liabilities, injuries, losses, damages, costs and expenses including, without limitation, settlement costs and reasonable attorney's fees (collectively "Claims"), arising out of or relating to User's use of the Subscribed Modules, including but not limited to Claims for alleged tort, personal injury, medical malpractice, product liability, breach of contract, breach of warranty, any allegation or claim that the use of the Subscribed Modules, or any information contained therein, caused or contributed to the personal injury or death of an individual, and all other legal claims and theories, whether such Claims are made, filed or alleged by User, persons treated by or on behalf of User, or any other party, unless such Claim is determined by a court of competent jurisdiction to be the result of the prospective indemnified party's gross negligence or willful misconduct.

Contract # 4230B



P.O. Box 12310
Jackson, MS 39236-2310
800-489-2648 Ext 3032

Order No.
8599

Invoice Date
August 5, 2013

Invoice No.
4230B

User No.
4287

Total Down Payment Due
\$ 4,618.00

Sold To: Sullivan County Health Care
PO #70420
5 Nursing Home Drive
Unity, New Hampshire 03743

Ship To: Dixon Hughes Goodman LLP / ASP
Via Internet

Terms: Due with signed contract

| | |
|---|-------------|
| 50% of the Software License Fees - \$9,010 | \$ 4,505.00 |
| First Month's Software Maintenance | \$ 41.00 |
| First Month's First Databank Drug Database Fees | \$ 72.00 |

| | |
|-------------------|-------------|
| Total Amount: | \$ 4,618.00 |
| Sales Tax-Exempt: | \$0.00 |
| Total Amount Due: | \$ 4,618.00 |

(If Tax exempt, please send copy of tax exemption certificate with signed agreement and pay Total Amount)

Remit To: Marie Hellums
American HealthTech, Inc.

Overnight: 574 Highland Colony Parkway
Suite 200
Ridgeland, MS 39157

OR
Regular Mail: P. O. Box 12310
Jackson, MS 39236-2310



July 25, 2013

Ted Purdy, Administrator
Sullivan County Health Care
PO #70420
5 Nursing Home Drive
Unity, NH 03743

Dear Mr. Purdy,

American HealthTech appreciates the opportunity to serve your long-term care automation needs. Your American HealthTech Purchase Agreement contract addendum as proposed by Regional Manager Alex Scaramucci is attached.

Please print the agreement, sign, date, enclose a check for the required down payment and return to the address on the invoice. Once received at AHT and signed, I will email a copy back to you. If you would like an original for your files, please return two signed sets.

Please contact Alex at 1-800-489-2648 ext. 3158 if you have any questions regarding your agreement.

Sincerely,

Sonya McMullan

Sonya McMullan
Contracts Administrator

Contract # 8015A



PURCHASE AGREEMENT CONTRACT ADDENDUM

User Name and Address:

Sullivan County Health Care
PO #70420
5 Nursing Home Drive
Unity, NH 03743

Delivered Product: (Itemized below)

| | |
|------------------------------------|--------------|
| Hardware and Manufacturer Software | \$ 13,020.00 |
| Other Charges | \$ 2,745.00 |

Total \$ 15,765.00

Other Fees:

Hourly rate for standard technical on-site installation and telephone support \$150.00

Itemization:

Licensed Company:

SC Sullivan County Health Care PO #70420 5 Nursing Home Drive Unity New Hampshire 03743

Hardware and Manufacturer Software:

Order Administration eMAR/eTAR Laptop

8 ea. Lenovo Convertible Slate

Biometrics For Laptops and Tablets

10 ea. Digital Personna fingerprint scanner USB

Onsite Wireless Survey

7 ea. Onsite wireless certification

1 ea. Equipment fee

Other Charges:

Onsite Installation by American HealthTech

8 ea. Onsite installation

Equipment Rental Fee

Onsite Wireless Certification

Payment Terms:

A down payment of 65% of the total purchase price is required with the submission of the Agreement. The remaining 35% of the total purchase price is due net forty-five (45) days from delivery.

ALL TERMS AND CONDITIONS OF THE ORIGINAL CONTRACT APPLY TO THIS ADDENDUM

Contract # 8015A

SIGNATURE AREA

AHT

By: Teresa J. Chase, President

DATE _____

USER

By: Ted Purdy, Administrator

(AUTHORIZED SIGNATURE)

DATE _____

Contract # 8015A



P.O. Box 12310
Jackson, MS 39236-2310
800-489-2648 Ext 3032

Order No.
8601

Invoice Date
July 25, 2013

Invoice No.
8015A

Customer No.
4287

Total Down Payment Due
\$ 10,247.25

Sold To: Sullivan County Health Care
PO #70420
5 Nursing Home Drive
Unity, NH 03743

Ship To: Sullivan County Health Care
5 Nursing Home Drive
Unity, NH 03743

Terms: Due with signed contract

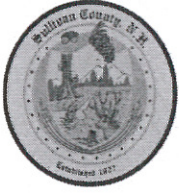
| | |
|--|-------------|
| 65% of Hardware and Manufacturer Software - \$13,020 | \$ 8,463.00 |
| 65% of Other Charges - \$ 2,745 | \$ 1,784.25 |

| | |
|----------------------|--------------|
| Total Amount: | \$ 10,247.25 |
| Sales Tax - Exempt : | \$ 0.00 |
| Total Amount Due: | \$ 10,247.25 |

Remit To: Marie Hellums
American HealthTech, Inc.

Overnight: 574 Highland Colony Parkway
Suite 200
Ridgeland, MS 39157

OR
Regular Mail: P. O. Box 12310
Jackson, MS 39236-2310



Sullivan County Department of Corrections
103 County Farm Rd
Claremont, NH 03743

Intra-Department Memorandum

From: Sgt. Coughlan Date: August 19th, 2013
Subject: Daily Report At: Classification Department
To: Superintendent Ross L. Cunningham

POPULATION DATA:

| House of Corrections | Pre-Trial Inmates | Protective Custody | Home Confinement |
|----------------------|-------------------|--------------------|------------------|
| Male – 49 | Male – 27 | Male – 0 | Male - 7 |
| Female – 9 | Female – 2 | Female – 0 | Female - 5 |

Total In-House Population: 87 (Home Confinement – 12)

In-House Population on 8/19/2012– 75

Unit Breakdown *(included in the above count):*

| | | |
|-------------|------------------------|-------------------------|
| Unit 1 – 23 | Male Flex – 9 | Female Flex – 0 |
| Unit 2 – 4 | Male Treatment – 9 | Female Treatment – 4 |
| Unit 3 – 13 | Male Work Release – 14 | Female Work Release – 2 |
| OBS – 2 | | |

Jail Total: 49

CCC Total: 38

CENSUS DATA:

| Cheshire Cty | Grafton Cty | Phoenix House | Weekender |
|----------------------|----------------------|----------------------|-----------------|
| Male – 1 | Male – 1 | Male – 0 | Male - 1 |
| Female – 0 | Female – 0 | Female – 0 | Female - 0 |
| Hillsbor. Cty | NHSP/SPU/VTSP | Merrimack Cty | Furlough |
| Male – 0 | Male – 8 | Male – 4 | Male - 0 |
| Female – 0 | Female – 1 | Female – 0 | Female - 0 |

Total Census Population: 115

Census Population on 8/19/2012– 99

Individuals Housed at SCDOC for other Facilities:

Individuals seen by P&P prior to release:

4 Males from NHSP

1 Female from Rockingham County DOC

1 Male from Cheshire County DOC

Pre-Trial Services Program – Total: 12

Male – 9

Females - 3



Appendix F.1.

Sullivan County Sheriff's Office

14 Main Street, P.O. Box 27 • Newport, New Hampshire 03773-0027

Phone: 603-863-4200 • Fax: 603-863-0012

e-mail: sheriff@nhvt.net

MICHAEL L. PROZZO, JR.
High Sheriff

To: Sullivan County Commissioners
Cc: Captain Simonds, Deputy Merrill
From: Sheriff Michael L. Prozzo, Jr.
Ref: Letter from Chief Burroughs, Newport Police

County Commissioners,

Attached is a copy of a letter I received recently from Newport Police Chief James Burroughs in reference to an incident that occurred in Newport on Friday August 9th in which Captain John Simonds and Deputy Justin Merrill assisted the Newport Police.

As you can see by the letter we are fortunate to be able to attract and retain professional Deputies working for the county.

Sincerely,

A handwritten signature in black ink, appearing to read "M. L. Prozzo, Jr.", written in a cursive style.

Michael L. Prozzo, Jr.
High Sheriff

/hsc



Newport Police Department

59 MAIN STREET
NEWPORT, NEW HAMPSHIRE 03773

JAMES C. BURROUGHS
Chief of Police

Appendix F.2



August 12, 2013

Sheriff Michael Prozzo, Jr.
Sullivan County Sheriff's Department
Newport, NH 03773

RE: Actions of Capt. John Simonds and Deputy Justin Merrill

Sheriff,

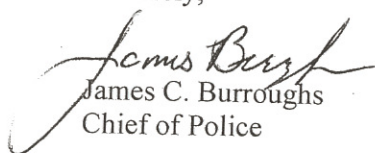
I want to take a moment to share with you the nature of a call that your deputies assisted my department with on Friday August 9, 2013. Just after 3 P.M. the Newport Emergency Communications Center received a call from a distraught person at 30 Greenwood Road advising that the caller's brother was threatening suicide. As the call developed there was a struggle over a firearm and the suicidal person left the area with a revolver to his head making suicidal threats. Over the next 18 minutes as this call unfolded you deputies called and offered their assistance and ultimately responded to the scene. At the scene, Deputy Merrill performed a vital task of creating a safe perimeter while Capt. Simonds assisted Sgt. Zullo with making contact with the suspect. I witnessed the suspect approach Capt. Simonds and Sgt. Zullo with what turned out to be a loaded and ready to fire revolver to his head. As he approached and Sgt. Zullo was giving commands, Capt. Simonds remained at Sgt. Zullo's side providing crucial cover and assistance. Capt. Simonds calm assistance to a very stressful and dynamic event is to be commended. With a call that could have easily ended very differently he remained calm, safe and made split second decisions that aided in leading to the safe conclusion of this event. His efforts are directly attributed to keeping this very distraught young man alive.

As is to be expected, emergency calls such as this require a calming and professional response by all officers. I never have to worry about your agency offering their assistance, and providing the highest levels of competent and professional service when they do. Please extend my sincere thanks to your Deputies for providing assistance during this very stressful and dynamic call for service. They truly provided top shelf service and performed their duty in an exceptional manner. Their actions certainly aided in the successful outcome, that we all know could have ended very differently.

Their performance is a positive reflection of your agency and your dedication to all the agencies in Sullivan County.

Thank you!

Sincerely,


James C. Burroughs
Chief of Police

Communications: (603) 863-3232 • Administration: (603) 863-3240/3178
Fax (603) 863-1372 • Fax (603) 863-8007
policechief@newportnh.net